

Message Text

UNCLASSIFIED

PAGE 01 BUENOS 03200 021903Z
ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 EB-07 FRB-01 INR-07
NSAE-00 TRSE-00 XMB-04 OPIC-06 SP-02 LAB-04
EPG-02 SIL-01 OMB-01 INT-05 FEA-01 /057 W
-----030325Z 097047 /73

R 021605Z MAY 77
FM AMEMBASSY BUENOS AIRES
TO USDOC WASHDC
USIA WASHDC
SECSTATE WASHDC 0289

UNCLAS BUENOS AIRES 3200

E.O. 11652: N/A
TAGS: BEXP, AR
SUBJECT: CCP REPORT FOR ARGENTINA: 2ND QUARTER - FY-77

REF: BUENOS AIRES 0541

1. SUMMARY: BY FAR THE MOST SIGNIFICANT COMMERCIAL DEVELOPMENT FOR THE EMBASSY DURING THIS QUARTER WAS THE VISIT OF AN EXIMBANK TEAM TO ARGENTINA TO INVESTIGATE FIRST HAND THE IMPROVED ECONOMIC AND CREDIT OUTLOOK FOR ARGENTINA. THE QUARTER WAS ALSO MARKED BY AN EVER INCREASING FLOW OF US BUSINESS VISITORS. THEY ARE RETURNING TO ARGENTINA SPURRED BY THE RECOVERY OF ARGENTINA'S BALANCE OF PAYMENTS AND THE IMPROVED SECURITY SITUATION. OTHER FIRXED OVERHEAD ITEMS SUCH AS ADS AND PARTICULARLY WTDR ALSO INCREASED SIGNIFICANTLY IN VOLUME. THIS, COMBINED WITH SUMMER VACATIONS TAKEN BY ALL CONCERNED HAS MEANT LESS PROGRESS ON SOME CCP GOALS, SUCH AS THE THREE MARKET RESEARCH STUDIES ON OILFIELD, CONSTRUCTION AND PULP AND PAPER MILL EQUIPMENT AND THE UP DATE OF THE POWER SECTOR STUDY, THAN WOULD HAVE BEEN DESIREABLE. THE ARGENTINE ECONOMY CONTINUED TO CLIMB SLOWLY FROM RECESSION. THE GOA
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BUENOS 03200 021903Z

CLAIMS RECORD LEVELS OF PUBLIC INVESTMENT WILL BE CARRIED OUT IN 1977 (TOTALING 13 PERCENT OF GDP; TOTAL INVESTMENT EXPECTED TO REACH 23 PERCENT OF GDP) PROVIDING THE MISSING STIMULATION FOR THE CONOMY. GNP GROWTH FOR THE FIRST QUARTER HAS BEEN ESTIMATED AT 1 PERCENT ON AN ANNUAL BASIS.

2. POWER CAMPAIGN: CAMPAIGN MANAGER (CM) WAS ACTIVE IN

MAKING CONTACTS WITH BOTH GOA DECISION MAKERS AND US REPS OF FIRMS IN THIS SECTOR. VISITED OFFICIALS WERE FROM HIDRONOR, A&EE, THE ENTIDAD BINACIONAL YACIRETA, THE SALTO GRANDE MIXED TECHNICAL COMMISSION AND THE SECRETARIAT OF ENERGY. US FIRMS CONTACTED WERE: GENERAL ELECTRIC, WESTINGHOUSE, LAPP, CT MAIN, HARZA, BROWN AND ROOT FOSTER WHEELER AND TRW CONTROLS. RPORTS ON THE STATUS OF YACIRETA APIPE PROJECT WERE SUBMITTED TO WASHINGTON. A GUEST LIST FOR A REPRESENTATIONAL FUNCTION FOR POWER SECTOR HAS BEEN DEVELOPED.

3. CHEMICAL AND PETROCHEMICAL CAMPAIGN

CM VISITED THE RIO TERCERO COMPLEX IN CORDOBA PROVINCE TO DISCUSS PLANT EXPANSION PLANS WITH THREE PLANT MANAGERS (FROM ATANOR, DURANOR, AND PETROQUIMICA RIO TERCERO). CM ADVISED AND ASSISTED LOCAL REPS OF ELLIOT OVERSEAS CO.; FISH INTERNATIONAL ENGINEERS, INC; A.G. MC KEE AND PULLMAN KELLOG IN BIDDING ON DIFFERENT CONTACTS OF THE BAHIA BLANCA ETHYLENE COMPLEX. WITH THE COOPERATION OF USIS, AN ARTICLE HAS BEEN SELECTED FOR PUBLICATION IN THE COMMERCIAL BULLETIN AND OTHER SPECIALIZED LOCAL JOURNALS. WE ARE IN PROCESS OF ATTEMPTING TO PLACE IT. MOREOVER, CM ENCOURAGED ONE U.S. COMPANY TO PUBLISH AN ARTICLE IN SPANISH EDITION OF WORLD OIL MAGAZINE. IN JANUARY 1977, WORKING WITH LOCAL REPS OF A U.S. COMPANY, EMBASSY SPONSORED A VISIT TO HOUSTON AREA PLANTS BY ENG. DIONISIO GARRIDO, OF THE PETROCHEMICAL DEPARTMENT OF YACIMIENTOS PETROLIFEROS FISCALES (YPF) IN JANUARY 1977. CM HAS BEEN IN CONTACT WITH FOUR DECISION MAKERS IN THE UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BUENOS 03200 021903Z

PETROCHEMICAL SECTOR FROM FABRICACIONES MILITARES, MONOMENOS VINILICOS, ATANOR AND INDUPA.

4. HEAVY CONSTRUCTION & MINING CAMPAIGN

CM HAS VISITED THE HEAD OF VIALIDAD, THE GOA'S ROAD BUILDING AGENCY, AND OFFICIALS OF THE ARGENTINE ATOMIC ENERGY COMMISSION (URANIUM MINING), THE MINING SECRETARIAT, THE BANCO NACIONAL DE DESARROLLO(WHO FINANCE MINIG ACTIVITIES) FABRICACIONES MILITARES (WHO ARE IN MINING TOO) AND PRIVATE FIRMS IN THE CONSTRUCTION AND MINING SECTOR SUCH AS THE CATERPILLAR REP MACROSA, AND NAVIERA PEREZ COMPANC. PUBLISHERS OF MINERIA, THE LOCAL MINING INDUSTRY MAGAZINE HAVE AGREED TO PUBLISH TWO ARTICLES ON US MINING TECHNOLOGY. A REPRESENTATIONAL EVENT FOR REPRESENTATIVES OF THE HEAVY CONSTRUCTION SECTOR WAS ORGANIZED BUT NOT YET EXECUTED. VERY LIMITED PROGRESS HAS BEEN MADE ON THE MARKET SURVEY.

5. STEEL SECTOR CAMPAIGN:

DECISION MAKERS IN THE FOLLOWING FIRMS WERE CONTACTED:
ACINDAR, DAMINE SIDERCA AND SOMISA (TWOCE). CM ALSO
CONTACTED LOCAL REP OF MESTA AND BIRDEBORO (CASTELVI) ON
A NUMBER OF OCCASIONS. CONCENTRATION HAS BEEN ON SOMISA
AND ITS EXPANSION PLAN ON WHICH A GOOD DEAL OF REAEARCH
WAS CONDUCTED AND REPORT PREPARED. VERY LIMITED PROGRESS
WAS MADE ON THE MARKET SURVEY.

6. OILFIELD EQUIPMENT CAMPAIGN

CM HAS MADE NINE CALLS ON DECISION MAKERS IN THIS SECTOR
DURING THE QUARTER, FOUR AT YPF, THE STATE OIL COMPANY, ONE
AT GAS DEL ESTADO, ONE AT THE SECRETARIAT OF ENERGY AND
THREE AT VARIOUS PRIVATE FIRMS IN THE SECTOR. ADDITIONALLY
HE VISITED TWO EXPLORATION SITES IN NEUQUEN PROVINCE. THE
OFFSHORE TECHNOLOGY CONFERENCE IN HOUSTON IN MAY WAS
PROMOTED EXTENSIVELY. AT LAST COUNT 18 EXECUTIVES HAD
CONFIRMED THEIR ATTENDANCE AND AT LEAST ANOTHER 18 WERE
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 BUENOS 03200 021903Z

INTENDING TO GO. A REPRESENTATION FUNCTION FOR PETROLEUM
INDUSTRY CONTACTS WAS ORGANIZED DURING THE LATTER PART
OF THE QUARTER (AND HOSTED BY THE AMBASSADOR IN EARLY
APRIL). A LIMITED AMOUNT OF PROGRESS WAS MADE ON THE
MARKET RESEARCH PIECE ON THIS SECTOR.
HILL

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 02-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BUENOS03200
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770153-1097
Format: TEL
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197705105/aaaadmvg.tel
Line Count: 145
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 7e826088-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 BUENOS AIRES 541
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2335506
Secure: OPEN
Status: NATIVE
Subject: CCP REPORT FOR ARGENTINA: 2ND QUARTER - FY-77
TAGS: BEXP, AR
To: COM USIA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/7e826088-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009